

Growth of industrial production

14. PROF. M.M. AGARWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the details of targets fixed for the growth of industrial production during 1999-2000 and 2000-2001;
- (b) the details of achievements made in this regard during the above period; and
- (c) what concrete steps being taken/proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) Planning Commission has set an industrial growth target of 8.2% per annum for the Ninth Five Year Plan (1997—2002)

(b) During 1999-2000 and 2000-01 (April-December) growth rates of 6.4% and 5.7% respectively were achieved.

(c) The Government has made efforts to accelerate the pace of industrial growth by providing greater freedom in investment decisions keeping in view the objectives of efficiency and competitiveness, technological upgradation, maximization of capacity utilization and increased exports. Following sector specific measures have been taken by the Government to boost industrial growth.

- Delicensing of all industries other than six for strategic and safety consideration.
- Repeal of Urban Land Ceiling Regulation Act (ULCRA) and incentives to house ownership.
- Buy back of shares and inter-corporate loans allowed for boosting investment and reviving the capital market.
- Busy season credit policy announced for revival of growth in exports.
- Liberalisation of Technology imports.
- Rationalization of the excise and customs duty regime.

- Liberalisation of FDI, with a number of sectors being put on automatic route.
- Replacement of Foreign Exchange Regulation Act (FERA) by Foreign Exchange Management Act (FEMA)

Decline in industrial production

15. SHRI JIBON ROY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that the production in industries has declined during the first half of 2000-2001;
- (b) whether it is a fact that the qualities of growth have deteriorated despite the improvement in production figures during the second half; and
- (c) the details of the quarterly figures, sector-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) During first half of 2000-2001 (April-September) a cumulative growth rate of 5.7% was registered which is lower than the growth of 6.3% for corresponding period of 1999-2000;

(b) The data on quality of growth is not available, however the growth rates for first nine months of the current and previous fiscal year are given below:

Period	Growth rates* (2000-2001)	Growth rates* (1999-2000)
April-September	5.7	6.3
October-December	5.6	6.7

*Percentage change over the corresponding period of previous year.